GOVERNMENT OF INDIA
RURAL DEVELOPMENT
LOK SABHA

UNSTARRED QUESTION NO:979
ANSWERED ON:29.11.2012
SELF HELP GROUPS
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Will the Minister of RURAL DEVELOPMENT be pleased to state:

(a) the details of on-going Rural Development programmes/schemes which have participation of Self-Help Groups;

(b) the details of works assigned to these Self-Help Groups;

(c) the total number of Women Self Help Groups engaged in rural development activities in the country, State-wise;

(d) whether the Government propose to strengthen them by providing more financial incentives or loans; and

(e) if so, the details thereof and action taken or likely to be taken in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT (SHRI PRADEEP JAIN `ADITYA`)

(a): Swarnjayanti Gram Swarojgar Yojana (SGSY), under implementation since April, 1999, is designed as a self employment scheme aimed at providing sustainable income to rural BPL families through income generating assets / economic activities so as to bring them out of the poverty line. It is a process oriented scheme involving processes like organization of the rural poor (BPL) into Self-Help Groups (SHGs) through social mobilization, capacity building & training, provision of revolving fund, making available credit and subsidy, technology, infrastructure & marketing. Each process has a bearing on the successive process.

The SGSY has been restructured as National Rural Livelihoods Mission (NRLM), now renamed as `Aajeevika` to implement it in a mission mode in a phased manner for targeted and time bound delivery of results. NRLM places a very high emphasis on convergence with other programs of the Ministry of Rural Development and other Central Ministries and programmes of State Governments for developing synergies directly and through the institutions of the poor.

Accordingly, States are advised to promote convergence with other Rural Development programmes like Indira Awas Yojana (IAY), Mahatma Gandhi National Employment Guarantee Act (MGNERGA) National Social Assistance Programme (NSAP) etc. by involving SHGs in programme implementation. However, Ministry of Rural Development does not monitor details of such initiatives by SHGs.

(b)&(c): Under SGSY, self help groups are assisted with the bank credit linked subsidy in order to take up economic activities for enhancing their incomes on sustainable basis. In addition, under NRLM, support is provided to SHGs to enable them to cope up with vulnerabilities , support existing livelihoods, help them to have self employment, and in acquiring skilled wage employment. The total number of Women Self Help Groups engaged in rural development activities in the country, and credit and subsidy disbursed, State-wise is at Annexure-I.

(d)&(e): NRLM would provide revolving fund and capital subsidy fund to the institutions of the poor. The effective use of these funds is expected to strengthen their institutional and financial management capacity and build their track record for leveraging mainstream bank finance.

With a view to provide access to credit at affordable rate of interest to the rural poor and make their investments more viable, NRLM has the provision for interest subsidy being the difference between the prime lending rate of the banks and 7% per annum, on all loans from main stream financial institutions to BPL SHGs, who are regular in loan repayment.